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February 9, 2001

TO INTERESTED PARTIES:

ASSESSMENT APPEALS BOARD MEMBER TRAINING

On November 30, 2000, staff sent a letter to County Assessors, County Boards of Supervisors, Administrators of Assessment Appeals Boards, and Interested Parties that included a proposed course outline for the mandatory assessment appeals board member training required by Senate Bill 1234 (Chapter 942, Statutes of 1999). In that letter, staff indicated that a matrix summarizing interested parties' proposed changes to the course outline would be completed and distributed. Since the outline format and the comments received do not lend themselves to a matrix format, however, staff is instead distributing the enclosed revised course outline that includes changes suggested by interested parties. Comments were received from the California Assessors' Association, the California Association of Clerks and Election Officials, the California State Bar State and Local Tax Committee, and the Los Angeles County Bar Association State and Local Tax Committee.

This course, which is mandatory for all county assessment appeals board members newly selected or appointed on or after January 1, 2001, will be a one-day (seven hour) training session conducted by State Board of Equalization (BOE) staff regionally, throughout the state, at no charge to the counties. Revenue and Taxation Code section 1624.02(a) states, in part, that "Training shall include, but not be limited to, an overview of the assessment process, elements in the conduct of assessment appeal hearings, and important developments in case and statutory law and administrative rules."

As mentioned in staff's November 30, 2000 letter, because of the statutory mandate and the introductory nature of the topics to be presented to newly selected or appointed assessment appeals board members, the course material will be limited to the *Assessment Appeals Manual*, Assessors' Handbook Section 501, *Basic Appraisal*, and Assessors' Handbook Section 502, *Advanced Appraisal*. Additionally, staff has determined that Publication 29, *California Property Tax, An Overview*, and Publication 30, *Residential Property Assessment Appeals*, should be included as course materials. Finally, because the primary function of an assessment appeals board is to rule on valuation matters, one-half of the seven-hour course will be dedicated to a review of the valuation methods (Section IV of the course outline).

The revised outline is being provided to you in advance of the interested parties meeting since the outline will be the focus of discussion at the meeting, which will be held on February 23, 2001, 9:30 a.m., at the BOE's headquarters in Sacramento, 450 N Street, Room 122. The purpose of the meeting is to reach as much agreement as possible among interested parties regarding the course outline. The curriculum for this mandatory course, comprised of the course outline and the course materials, is scheduled for discussion at the Property Tax Committee's April 18, 2001 meeting.

Staff will post a draft of the course outline on the BOE's Web site reflecting all agreed-upon changes following the interested parties meeting. Any unresolved issues will be presented to the Property Tax Committee for resolution.

If you plan to attend the interested parties meeting on February 23, please contact Ms. Mickie Stuckey at (916) 324-4495, mickie.stuckey@boe.ca.gov, or fax at (916) 323-8765.

Sincerely,

/s/ Richard C. Johnson

Richard C. Johnson
Deputy Director
Property Taxes Department

RCJ:ms
Enclosure

STATE BOARD OF EQUALIZATION ASSESSMENT APPEALS BOARD MEMBER TRAINING PROPOSED COURSE OUTLINE

I. FUNCTION AND PURPOSE OF ASSESSMENT APPEALS BOARDS

A. Roles and Responsibilities of Assessment Appeals Boards

(This subject will include a discussion of such topics as the constitutional creation of assessment appeals boards, the function of appeals boards [i.e., Property Tax Rule 302], and the importance of both an individual member's and an appeals board's integrity and impartiality.)

B. Relationship to and Interaction with Other Officials/Departments

(This subject will include a discussion of such topics as the roles, responsibilities, powers, and jurisdiction of the assessor, clerk of the board, and county counsel in the assessment appeals process.)

C. Jurisdiction of Assessment Appeals Boards

(This subject will include a discussion of such topics as the valuation, procedural, and legal issues that are within a board's jurisdiction, as discussed in Chapter 5 of the "Assessment Appeals Manual.")

D. Disqualification of an Assessment Appeals Board Member

(This subject will include a follow-up discussion of Section I.A. of the outline above, as discussed in Chapter 4 of the "Assessment Appeals Manual.")

E. Hierarchy and Applicability of Statutes, Regulations, Rules, and Other Authorities

(This subject will include a discussion of the hierarchy and applicability of constitutional provisions, case law and statutes, Board rules, and local rules, as discussed in Chapter 2 of the "Assessment Appeals Manual.")

II. CONDUCT OF THE ASSESSMENT APPEALS HEARING

A. Hearing Process

(This subject will include a discussion of such topics as amendments of applications, stipulations, and how to conduct and moderate a hearing [e.g., various protocols, the order of presentation, and the conduct of board members in a hearing], as discussed in Chapter 8 of the "Assessment Appeals Manual.")

B. Evidence, Presumptions, and Burdens of Proof

(This subject will include a discussion of such topics as the rules of evidence, evidentiary and procedural presumptions, and the burdens of proof, as discussed in Chapter 7 of the "Assessment Appeals Manual.")

C. Decision Process

(This subject will include a discussion of such topics as the appropriate use of appraisal approaches and methodologies, decisionmaking based upon the evidence presented, the sufficiency of the evidence presented, and the recognition of presumptions, as discussed in Chapter 9 of the "Assessment Appeals Manual.")

III. OTHER/MISCELLANEOUS HEARING AND APPEAL TOPICS

A. Application Process

(This subject will include a discussion of the type of assessment being appealed, the reason for the appeal, the filing period(s), and the two-year time limit for resolution of the application, as discussed in Chapters 3, 5, and 6 of the "Assessment Appeals Manual," and a follow-up discussion of Section I.C. of the outline above.)

B. Obtaining Information for the Hearing

(This subject will include a discussion of unilateral requests for information by an assessor or a taxpayer, exchanges of information between the parties, and an appeals board's ability to obtain information by the use of subpoenas.)

C. Developments in Administrative Rules

(Important developments in Administrative Rules will be covered as part of the discussion of the relevant topic throughout the course.)

D. Developments in Case and Statutory Law

(Important developments in Case and Statutory Law will be covered as part of the discussion of the relevant topic throughout the course.)

IV. OVERVIEW OF THE ASSESSMENT PROCESS

A. General Overview

(This topic will include a discussion of the purpose of an appraisal resulting from a change in ownership, new construction, a decline in value, etc., and a follow-up discussion of Section I.A. of the outline above regarding the function of appeals boards.)

B. Valuation Methods

(This topic will include a discussion of Revenue and Taxation Code section 110 and defining value under California law and an overview of the various appraisal methodologies, based upon the material in Assessors' Handbook Section 501, "Basic Appraisal," and Assessors' Handbook Section 502, "Advanced Appraisal.")

1. Introduction
2. Cost Approach
3. Comparative Sales Approach
4. Income Approach
5. Reconciliation of the Value Indicators